Application for Permit to Modify (APM)

| Lease P00316 | Area SM | Block 6575 | Well Name | B015 ST | 01 BP 00 | Type Development |
|---------------------------|-----------|-------------------|----------------------|----------------|---------------------|-------------------|
| Application Sta | tus Appro | oved (| Operator 0328 | 0 Freeport-M | McMoRan Oil | & Gas LLC |
| Pay.gov Amount: \$125. | 00 | Age: Trac | ncy cking ID: EWL | -APM-201057 | Pay.gov Tracking | ID: 26CC8TMC |
| General Info | rmation | | | | | |
| API 04311206370 | 1 | Approv | ral Dt 30-NOV | -2018 | Approve | ed By John Kaiser |
| Submitted Dt 30- | -OCT-2018 | Well S | Status Comple | ted | Water 1 | Depth 603 |
| Surface Lease | P00316 | Area | SM | | Block | 6576 |

Approval Comments

Conditions of Approval:

- 1 All operations must be conducted in accordance with the OCS Lands Act (OCSLA), the lease terms and stipulations, the regulations of 30 CFR Part 250, Notices to Lessees and Operators (NTLs), the approved (Revised) Application for Permit to Drill (APD/RPD,AST/RST, ABP/RBP), and any written instructions or orders of the District Manager.
- 2 You shall not conduct operations that require the BOP on the well until a revised permit has been approved that includes an independent third party verification stating as per 250.731(c) that (2) The BOP was designed, tested, and maintained to perform under the maximum environmental and operational conditions anticipated to occur at the well; and (3) The accumulator system has sufficient fluid to operate the BOP system without assistance from the charging system.
- 3 A copy of this permit (including all attachments) must be kept on location and made available to inspectors upon request during the permitted operation.
- 4 All pressure containing equipment must be tested to the approved permitted pressure and recorded on the daily operations report. If well pressures exceed the SITP/MASP stated in the approved permit, the equipment in use must be tested at a minimum to the new observed pressure. The Permitting Section must be immediately notified of this pressure change and a RPM submitted to document the change.
- 5 Disposing of well fluids in an existing injection well is permitted under this permit.
- 6 This process has been historically permitted on the POCS. Any well used for injection must have demonstrated integrity documentation.
- 7 Fluid composition should be detailed and volumes in excess of 500 Barrels should be detailed and justified.
- 8 Under no circumstances will the fracture pressure at the uppermost perforation be exceeded at any time during injection.
- 9 Any Conditions of Approval for a previously approved injection well must continue to be complied with (ie. Accounting and Monitoring).
- 10 Notify the Permitting Section at Least 24 hours in advance of beginning these approved operations AND of any required BOP tests.
- 11 WAR reports are due no later than noon each Wednesday.

Correction Narrative

Permit Primary Type Other Operation

Permit Subtype(s)

Describe Operation(S)

Operation Description

This operation is to convert the well into an injection well. Injection of produced fluids & fresh water & seawater used to flush production systems.

Procedural Narrative

U.S. Department of the Interior Bureau of Safety and Environmental Enforcement (BSEE)

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|---------------------|--------|-------|-------|------|--------|-------|---------|--------------|--------------|------------------|
| Application | Status | Appro | ved | Ope | erator | 03280 | Freepor | rt-McMoI | Ran Oil | & Gas LLC |
| | | | | | | | | | | |

Please refer to attached procedures.

Subsurface Safety Valve

Type Installed SCSSV

Feet below Mudline 129

Maximum Anticipated Surface Pressure (psi) 2300

Shut-In Tubing Pressure (psi) 500

Rig Information

Name Id Type ABS Date Coast Guard Date

Blowout Preventers

--- Test Pressure ---

Preventer Size Working Pressure Low High

Date Commencing Work (mm/dd/yyyy) 30-OCT-2018

Estimated duration of the operation (days) 1

Verbal Approval Information

Official Date (mm/dd/yyyy)

| Questi | ons | | |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------|
| - | Question | Response | Response Text |
| 1 | Is H2S present in the well? If yes, then comment on the inclusion of a Contingency Plan for this operation. | YES | Previously submitted |
| 2 | Is this proposed operation the only lease holding activity for the subject lease? If yes, then comment. | N/A | |
| 3 | Will all wells in the well bay and related production equipment be shut-in when moving on to or off of an offshore platform, or from well to well on the platform? If not, please explain. | N/A | |
| 4 | Are you downhole commingling two or more reservoirs? | N/A | |
| 5 | Will the completed interval be within 500 feet of a lease or unit boundary line? If yes, then comment. | N/A | |
| 6 | For permanent abandonment, will casings be cut 15 feet below the mudline? If no, then comment. | N/A | |

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|---------------------------------------------------------------------------|------------------|-----------|-----------------|--------------|------------------|--|--|
| Application Status Approved Operator 03280 Freeport-McMoRan Oil & Gas LLC | | | | | | | |
| Questions | | | | | | | |
| Number Question | | Response | Response Te | xt | | | |
| 7 Will the propo | sed operation be | N/A | | | | | |
| covered by an | EPA Discharge | | | | | | |
| | e provide permit | | | | | | |
| number in comm | ents for this | | | | | | |
| question) | | | | | | | |
| | AT | TACHMENT | 'S | | | | |
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| | (| CONTACTS | | | | | |
| Name | Nancy Rodriguez | | | | | | |
| Company Freeport-McMoRan Oil & Gas LLC | | | | | | | |
| Phone Number 281-539-7640 | | | | | | | |
| E-mail Address | | | | | | | |
| Contact Description | | | | | | | |

CERTIFICATION: I certify that information submitted is complete and accurate to the best of my knowledge. I understand that making a false statement may subject me to careful the statement of the careful that making a false statement may subject me to careful the statement of t

Name and Title

Nancy Rodriguez, Regulatory Technician

Date

30-OCT-2018

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